

## Toyota Hearings Must Pursue Fairness

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Three years ago when I announced that Toyota had chosen the small Mississippi town of Blue Springs as the location for its newest vehicle assembly plant in the United States, I said Toyota was the premier automobile manufacturer in the world. I still believe that is true today, despite the company's recent difficulties.

Make no mistake, the safety and reliability concerns identified in some Toyota automobiles - although they occur very infrequently - are a serious matter. It seems clear to me, however, that the company is doing everything it should as quickly as possible to make things right. This includes not just a full recall, but temporarily halting production for several days in five plants to focus on the problem and working quickly to make repairs on recalled vehicles. The company has also taken significant steps to improve quality and reliability worldwide and to increase the openness and transparency of its communications with government officials and customers.

But as three Congressional committees prepare for hearings on Toyota's safety issues -two in the House and one in the Senate - I worry there has been a rush to judgment. In the midst of the current controversy, the way Congress and the Obama Administration choose to respond will have very real consequences for the economy, the people of Mississippi and many other states as well.

We cannot lose sight of the company's importance to America's economy - and should not ignore its continued commitment to doing things the right way. I would argue that even though Toyota was founded in Japan more than 70 years ago, after five decades of doing business in the United States, it is as much an "American" car company today as any other.

In my home state of Mississippi, the automaker is investing \$1.3 billion to build the new Prius assembly plant that will provide good jobs to more than 2000 new Toyota team workers plus some 2500 supplier jobs that are already announced when it is up-and-running. Even though the economic downturn has delayed the start of production, Toyota is still honoring its financial commitments to the state—including a promised donation of \$5 million a year for the next 10 years to help fund local education programs. That's the kind of company Toyota is.

It's not just Mississippi. Across America, Toyota – together with its 1,500 dealers and 500 suppliers – has helped create more than 200,000 jobs. It operates major design, research and manufacturing operations in 10 states. Nearly half of the vehicles it sells in the U.S. are built here. Over the past 22 years, 16 million Toyota vehicles have been made in America. And the company's direct investment in the U.S. now exceeds \$18 billion.

Of course, it's not just American workers who profit. Consumers have relied on Toyota cars and trucks for decades. Today, 80 percent of Toyota vehicles sold in the U.S. over the past 20 years are still on the road.

That's why I hope these Congressional committees will resist the temptation to attack Toyota simply to advance the interests of its American competitors. Toyota should not be blamed implicitly for the problems of Detroit's automakers. Moreover, the decision to bail out bankrupt General Motors and Chrysler last year with \$60 billion from U.S. taxpayers has put Congress and the Administration in a very uncomfortable position. I know the Transportation Secretary to be an honorable man who will seek fairness, but can these Congressional hearings be seen as impartial, focused on enforcing the rules and policing corporate behavior, when the federal government owns a huge stake in two major car companies.

Congress must carefully thread the needle in its behavior toward Toyota lest it be accused of acting in a way that gives either Chrysler – in which it has a 10 percent ownership stake – or General Motors – in which the government now owns a majority stake – an unfair advantage.

The primary role of the government in this crisis should be to work constructively with Toyota to protect consumers and assist in getting the problems fixed as quickly as possible. The government's other responsibility is to be vigilant in its pursuit of fairness – Toyota cannot be unjustly punished or have its own business recovery impeded in some way by attempts to gain unearned advantages for companies owned by the government.

As Americans, we pride ourselves on living in a free and open democracy with an economy that welcomes all who choose to compete. It is this openness and its promise of fairness that have made our economy so attractive to foreign investment—investment that will surely aid in our economic recovery. If Congress and the media treat Toyota differently, as an outsider, this would give pause to foreign businesses thinking about investing in Mississippi or any other state.

When Members of Congress gather soon to begin the hearings about Toyota's troubles, I hope they recognize that excessive, over-the-top bashing of Toyota would likely be interpreted by much of the world as a strong signal that the U.S. is turning increasingly protectionist during these tough economic times. That would not be good for the American economy, companies that are located here, or their workers.

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